

SALT LAKE CITY COUNCIL STAFF REPORT

BUDGET ANALYSIS – FISCAL YEAR 2003-04

DATE: May 20, 2003

SUBJECT: **REFUSE COLLECTION FUND**

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Salt Lake City provides a refuse program of weekly trash collection, curbside recycling, annual neighborhood cleanup, Christmas tree pickup, and leaf removal (bags are funded by the Stormwater Fund). The Refuse Fund operates as an enterprise fund, so the General Fund does not subsidize these services. The budget for fiscal year 2003-2004 is proposed to increase by \$255,038 or 3.31% over fiscal year 2002-2003.

REFUSE FUND PROPOSED BUDGET				
	Adopted 2002-2003	Proposed 2003-2004	Difference	Percent Change
Revenue & other sources				
Refuse fees	\$4,911,470	\$5,811,780	\$900,310	18.3%
Landfill dividends	1,241,711	1,232,998	(8,713)	(0.7%)
Interfund reimbursements	327,000	374,000	47,000	14.4%
Sale of vehicles	264,000	151,000	(113,000)	(42.8%)
Interest income	153,000	92,000	(61,000)	(39.9%)
Appropriation of reserves	817,634	308,074	(509,560)	(62.3%)
Total revenue & other sources	\$7,714,815	\$7,969,852	\$255,037	3.3%
Expenses & other uses				
Admin & Weekly trash collection	\$4,931,276	\$4,931,205	(\$71)	0.00%
Recycling	972,766	1,336,891	\$364,125	37.43%
Annual neighborhood cleanup	1,810,773	1,701,757	(\$109,016)	(6.02%)
Total expenses & other uses	\$7,714,815	\$7,969,853	\$255,038	3.31%

A weekly trash pickup service is provided to the residents of Salt Lake City. Additionally, residents receive an annual curb side pickup designed for large or oversized debris as well as leaf bag removal, street sweeping, urban forestry services, and weekly curbside recycling pickup. During fiscal year 2002-2003, the City expanded the curbside recycling program to include multi-family properties. Also during fiscal year 2002-2003 the City changed the funding source for the street sweeping and urban forestry programs from the Refuse Collection Fund to the General Fund. No fee increase is planned for the upcoming fiscal year.

The Salt Lake City Council reviews and adopts the budget for the Solid Waste Facility. The Solid Waste Facility administers the Landfill, coordinates the transfer station and the long range planning for future landfill sites. The decisions made in the operating budget of the Solid Waste Facility affect the revenue and expenditures of the Refuse Fund. For instance, an increase in material collection through the curbside recycling program will result in less garbage collection and lower tipping fee expenditures in the refuse fund.

Council staff did not identify any major changes to the proposed Refuse Fund budget.

Council Member Buhler has indicated that he may be interested in asking the Council to consider an addition to the program wherein the recycling services are available at a fee to individuals who live in planned unit developments and have their trash picked up by a private business. He has had initial conversations with the Public Services Department Director.

Additional Information

FIVE-YEAR BUSINESS PLAN (Goals and measurable results)

The Department of Public Services prepared a five-year business plan for the Refuse Fund in fiscal 1997-1998. The Refuse Fund specific plan was included in the Department plan that was prepared in fiscal year 2000-2001 to help guide the budgeting process and provide a means for management to better evaluate overall department performance. The business plan identifies goals and objectives of the Department. The plan was updated for fiscal year 2003-2004 to include targets through fiscal year 2008-2009. In order to assist the Council in evaluating progress, Council staff has attached the Refuse Fund portion of the Administration's 6 Year Business Plan.

LEGISLATIVE INTENT STATEMENTS

No legislative intent statements are outstanding for the Refuse Fund.

During the briefing on the proposed budget, the Council may wish to identify legislative intents relating to the Refuse Fund.

During the briefing, the Council may wish to identify potential programs or functions to be added to the Council's list for future audits.